

I certify that the attached is a true and
correct copy of H. J. R. #81, which
was filed of record on Mar. 5, 1981
and referred to the committee on:

Const. Amend.

Betty Murray
Chief Clerk of the House

BY JACKSON - Penet -

proposing a constitutional amendment to authorize the exemption of a percentage of the value of a residence homestead from property taxation.

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. That Article VIII, Section 1-b, of the Texas Constitution be amended by amending Subsection (c) and adding Subsections (e) and (e-1) to read as follows:

(c) ~~The [Five-Thousand-Dollars-(\$5,000)-of-the-market--value of--the--residence--homestead--of--a--married--or--unmarried-adult, including-one-living-alone,--is-exempt-from-ad-valorem-taxation--for general--elementary--and--secondary--public--school--purposes---in addition-to-this-exemption,--the]~~ legislature by general law may exempt an amount not to exceed Ten Thousand Dollars (\$10,000) of the market value of the residence homestead of a person who is disabled as defined in Subsection (b) of this section and of a person sixty-five (65) years of age or older from ad valorem taxation for general elementary and secondary public school purposes. The legislature by general law may base the amount of and condition eligibility for the [additional] exemption authorized by this subsection [~~for-disabled-persons-and-for-persons-sixty-five (65)-years-of-age-or-older~~] on economic need. An eligible disabled person who is sixty-five (65) years of age or older may not receive both exemptions from a school district but may choose either. The [An-eligible-person-is--entitled--to--receive--both--the--exemption

1 ~~required--by--this--subsection-for-all-residence-homesteads-and-any~~
2 ~~exemption-adopted-pursuant-to-Subsection-(b)-of-this--section,--but~~
3 ~~the]~~ legislature shall provide by general law whether an eligible
4 disabled or elderly person may receive both the ~~[additional]~~
5 exemption ~~[for--the--elderly--and--disabled]~~ authorized by this
6 subsection and any exemption for the elderly or disabled adopted
7 pursuant to Subsection (b) of this section. Where ad valorem tax
8 has previously been pledged for the payment of debt, the taxing
9 officers of a school district may continue to levy and collect the
10 tax against the value of homesteads exempted under this subsection
11 until the debt is discharged if the cessation of the levy would
12 impair the obligation of the contract by which the debt was
13 created. The legislature shall provide for formulas to protect
14 school districts against all or part of the revenue loss incurred
15 by the implementation of Article VIII, Sections 1-b(c), 1-b(d), and
16 1-d-1, of this constitution. The legislature by general law may
17 define residence homestead for purposes of this section.

18 (e) The governing body of a political subdivision may exempt
19 from ad valorem taxation a percentage not greater than twenty
20 percent (20%) of the market value of the residence homestead of a
21 married or unmarried adult, including one living alone. However,
22 in no case may the amount of the exemption authorized by this
23 subsection exceed Thirty Thousand Dollars (\$30,000) or be less
24 than Five Thousand Dollars (\$5,000). The legislature by general
25 law may exempt from ad valorem taxation by a school district a
26 portion of the market value of the residence homestead of the
27 adult, but the amount of the exemption must be within the

1 percentage and monetary restrictions prescribed for the exemption
2 authorized by this subsection for all political subdivisions. An
3 exemption under this subsection is in addition to other applicable
4 exemptions provided by law. Where ad valorem tax previously has
5 been pledged for the payment of debt, the taxing officers of a
6 political subdivision may continue to levy and collect the tax
7 against the value of homesteads exempted under this subsection
8 until the debt is discharged if the cessation of the levy would
9 impair the obligation of the contract by which the debt was
10 created. The legislature by general law may prescribe procedures
11 for the administration of residence homestead exemptions.

12 (e-1) Subsection (c) of this section, as amended by
13 H.J.R. , 67th Legislature, Regular Session, 1981, and Subsection
14 (e) of this section take effect January 1, 1982. Until that date,
15 Subsection (c) of this section as it existed on November 2, 1981,
16 continues in effect. This subsection expires January 2, 1982.

17 SECTION 2. This proposed constitutional amendment shall be
18 submitted to the voters at an election to be held November 3, 1981.
19 The ballot shall be printed to provide for voting for or against
20 the proposition: "The constitutional amendment to provide property
21 tax relief by authorizing the legislature or a political
22 subdivision to exempt from property taxation no more than 20
23 percent of the value of residence homesteads."

HOUSE COMMITTEE REPORT

1ST PRINTING

By Jackson, et al.

H.J.R. No. 81

Substitute the following for H.J.R. No. 81:

By Sharp

C.S.H.J.R. No. 81

A JOINT RESOLUTION

1 proposing a constitutional amendment to authorize certain property
2 tax relief for owners of residence homesteads.

3 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

4 SECTION 1. That Article VIII, Section 1-b, of the Texas
5 Constitution be amended by adding Subsections (e) and (e-1) to read
6 as follows:

7 (e) The governing body of a political subdivision may exempt
8 from ad valorem taxation a percentage of the market value of the
9 residence homestead of a married or unmarried adult, including one
10 living alone. The percentage may not exceed forty percent (40%) in
11 1982, thirty percent (30%) in 1983, and twenty percent (20%) in
12 1984 and each subsequent year. However, the amount of an exemption
13 authorized pursuant to this subsection may not be less than Five
14 Thousand Dollars (\$5,000) unless the legislature by general law
15 prescribes a different minimum on the amount of the exemption. The
16 legislature by general law may prescribe a maximum on the amount of
17 the exemption. If a school district adopts an exemption pursuant
18 to this subsection, an eligible adult may not receive from the
19 district this exemption and the exemption required by Subsection
20 (c) of this section for all residence homesteads but may choose
21 either. Except for this election, an eligible adult is entitled to
22 receive other applicable exemptions provided by law. Where ad
23 valorem tax has previously been pledged for the payment of debt,
24 the governing body of a political subdivision may continue to levy

1 and collect the tax against the value of the homesteads exempted
2 under this subsection until the debt is discharged if the cessation
3 of the levy would impair the obligation of the contract by which
4 the debt was created. The legislature by general law may prescribe
5 procedures for the administration of residence homestead
6 exemptions.

7 (e-1) Subsection (e) of this section takes effect January 1,
8 1982. This subsection expires January 2, 1982.

9 SECTION 2. This proposed constitutional amendment shall be
10 submitted to the voters at an election to be held November 3, 1981.
11 The ballot shall be printed to provide for voting for or against
12 the proposition: "The constitutional amendment authorizing a
13 political subdivision to provide property tax relief for owners of
14 residence homesteads."

COMMITTEE REPORT

The Honorable Bill Clayton
Speaker of the House of Representatives

4/22/81
(date)

Sir:

We, your COMMITTEE ON CONSTITUTIONAL AMENDMENTS, to whom was referred HJR 81, have had the same under consideration and beg to report back with the recommendation that it (measure)

- () do pass, without amendment.
() do pass, with amendment(s).
(X) do pass and be not printed; a Complete Committee Substitute is recommended in lieu of the original measure.

A fiscal note was requested. (X) yes () no

An author's fiscal statement was requested. () yes (X) no

An actuarial analysis was requested. () yes (X) no

The Committee recommends that this measure be placed on the ~~(Insert)~~ or ~~(Commit)~~ Calendar.

This measure () proposes new law.
() amends existing law.

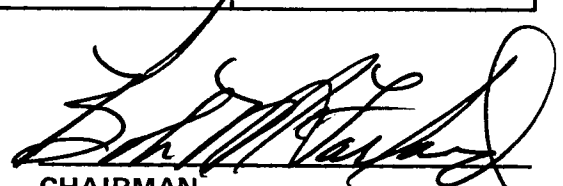
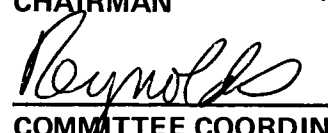
(X) *propose a constitutional amendment*

House Sponsor of Senate Measure _____.

The measure was reported from Committee by the following vote:

	AYE	NAY	PNV	ABSENT
McFarland, Ch.	✓			
Whaley, V.C.				✓
Atkinson				✓
Barrientos	✓			
Delco	✓			
Elizondo			✓	
Schoolcraft	✓			
Sharp	✓			
Ware	✓			

Total
6 aye
0 nay
1 present, not voting
2 absent


CHAIRMAN

COMMITTEE COORDINATOR

ANALYSIS

Background Information

Article 8, Section 1, of the Texas Constitution requires that taxes levied on real or personal property must be in proportion to the property's value. Section 1-b of this Article allows various exemptions on valuation for residence homesteads.

Sec. 1-b(a) authorizes a \$3,000 exemption for all residence homesteads as to state ad valorem taxes. Sec. 1-b(b) authorizes other political subdivisions to grant homestead exemptions for certain elderly and disabled persons of not less than \$3,000. Sec. 1-b(c) extends a \$5,000 homestead exemption from school taxation upon residences and authorizes an additional homestead exemption by the legislature of up to \$10,000 for certain elderly and disabled persons. Sec. 1-b(d) freezes school ad valorem taxes for the elderly who qualify for the subsection (c) exemption.

Purpose

The purpose of this resolution is to amend Art. VIII, Sec. 1-b, of the Texas Constitution by adding Subsections (e) and (e-1) to authorize certain property tax relief for owners of residence homesteads.

Section by Section Analysis

SECTION 1

This section amends Art. VIII, Sec. 1-b, of the Texas Constitution by adding a new Subsection (e) to authorize the governing body of a political subdivision to exempt a percentage of the market value of residence homesteads from ad valorem taxation, provided that the percentage may not exceed 40% in 1982, 30% in 1983, and 20% in 1984 and each subsequent year. Unless the legislature prescribes a different minimum, the amount of such an exemption may not be less than \$5,000. The legislature may also prescribe a maximum on the amount of the exemption. It further provides that, if a school district adopts an exemption pursuant to this subsection, an eligible adult may not receive from the district this exemption and the exemption required by Subsection (c), but must elect between the two. Except for this election, however, an eligible adult is entitled to receive other applicable exemptions provided by law. A subdivision that has pledged ad valorem taxes for payment of a debt prior to adoption of the exemption authorized under this subsection may disregard such exemption and continue to collect ad valorem taxes on residence homesteads to which the exemption applies until the debt is discharged, if failure to do so would impair the obligation of the contract by which such debt was created. This section also authorizes the legislature to prescribe procedures for the administration of the exemptions authorized.

Finally, this section provides for a January 1, 1982, effective date for the amendment described above.

SECTION 2

This section provides for submission of the proposed constitutional amendment to the voters at an election to be held on November 3, 1981, and provides for the form of the ballot.

Rulemaking Authority

It is the committee's opinion that this joint resolution does not delegate rulemaking authority to a state officer, agency, department or institution.

Summary of Committee Action

Public notice was posted in accordance with Rule V, Section 14, Rules of Procedure of the House of Representatives, and a public hearing was held on March 17, 1981.

The following individuals were recognized for testimony in support of HJR 81:

Steve Bartlett, Member, Dallas City Council
Mark D. Dixon, Governmental Affairs Manager, Dallas
Chamber of Commerce
Robby Collins, Dallas Independent School District
Louis Macey (representing himself)
Lyle Hamner, Texas Federal Retirees and Texas Older
Citizens

The following individual testified in opposition to HJR 81:

R. H. (Bob) Gibbons, representing himself and
Texas Senior Citizens Association, Texas
AFL-CIO Retirees, Senior Citizens Alliance of
Tarrant County

The resolution was referred to a subcommittee consisting of the following: Sharp, Ch., Atkinson, Delco, Elizondo, and Ware, members. On April 2, 1981, the measure was reported to the full committee with a complete committee substitute.

On April 22, 1981, the full committee voted to report HJR 81, as substituted, to the House with the recommendation that it do pass by a record vote of 6 ayes, 0 nays, and 1 PNV (2 members absent).

Comparision of Original to Substitute

- (a) The original amends Subsection (c) of Article VIII, Sec. 1-b, by deleting the language which provides for a \$5,000 exemption from ad valorem taxation for general elementary and secondary public school purposes, whereas the substitute does not amend that subsection.
- (b) The original also adds a new Subsection (e) to authorize a political subdivision to exempt from ad valorem taxation a percentage not to exceed 20% of the market value of a residence homestead, provided that in no event shall such exemption exceed \$30,000 or be less than \$5,000. The substitute also adds a new Subsection (e), but it authorizes a political subdivision to exempt from ad valorem taxation a percentage not to exceed 40% in 1982, 30% in 1983, and 20% in 1984 and each subsequent year, provided that the amount of such exemption may not be less than \$5,000 unless the legislature prescribes a different minimum on the amount of the exemption.
- (c) The original provides that the legislature may exempt a portion of the market value of residence homesteads from ad valorem taxation by a school district, but the amount of such exemption must be within the percentage and monetary restrictions prescribed for the exemption therein authorized for all political subdivisions. The substitute does not extend this authority to the legislature, but it does authorize the legislature to prescribe minimum and maximum amounts on the exemption.
- (d) The original provides that an exemption under Subsection (e) is in addition to all other exemptions provided by law, whereas the substitute provides that an exemption authorized by Subsection (e) is in addition to other applicable exemptions provided by law with the exception that one must elect between either the exemption authorized by Subsection (e) and that authorized by Subsection (c) of the same section.

- (e) The original provides that, where ad valorem tax previously has been pledged for the payment of a debt, the taxing officers of a political subdivision may continue to levy and collect the tax against the value of homesteads exempted under this subsection until the debt is discharged if the cessation of the levy would impair the obligation of the contract by which the debt was created. The substitute includes a corresponding provision, but the authority to continue to levy and collect the tax is extended to the governing body of a political subdivision rather than to the taxing officers of a political subdivision.
- (f) The original prescribes a different form for the ballot proposition than does the substitute.

BILL ANALYSIS

BACKGROUND INFORMATION

Article 8, Section 1, of the Texas Constitution requires that taxes levied on real or personal property must be in proportion to the property's value. Section 1-b of this Article allows various exemptions on valuation for residence homesteads.

Section 1-b(a) authorizes a \$3,000 exemption for all residence homesteads as to state ad valorem taxes. Section 1-b(b) authorizes other political subdivisions to grant homestead exemptions for certain elderly and disabled persons of not less than \$3,000. Section 1-b(c) extends a \$5,000 homestead exemption from school taxation upon residences and authorizes an additional homestead exemption by the Legislature of up to \$10,000 for certain elderly and disabled persons. Section 1-b(d) freezes school ad valorem taxes for the elderly who qualify for the Subsection (c) exemption.

PURPOSE

The purpose of this resolution is to amend Article VIII, Section 1-b, of the Texas Constitution to provide property tax relief by authorizing the Legislature or a political subdivision to exempt no more than 20% of the value of residence homesteads from property taxation.

SECTION BY SECTION ANALYSIS

SECTION 1: This section amends Subsection (c) of Article VIII, Section 1-b, by deleting the language which provides for a \$5,000 exemption from ad valorem taxation for general elementary and secondary public school purposes. In addition, it adds a new Subsection (e) to authorize a political subdivision to exempt from ad valorem taxation a percentage not to exceed 20% of the market value of a residence homestead, provided that in no event shall such exemption exceed \$30,000 or be less than \$5,000. It authorizes the Legislature to exempt a portion of the market value of residence homesteads from ad valorem taxation by a school district, but the amount of such exemption must be within the percentage and monetary restrictions described above. It further provides that an exemption under this Subsection is in addition to other applicable exemptions, and that a subdivision that has pledged ad valorem taxes for payment of a debt prior to adoption of the exemption authorized under this Subsection may disregard such exemption and continue to collect ad valorem taxes on residence homesteads to which the exemption applies until the debt is discharged if failure to do so would impair the obligation of the contract by which such debt was created. This Section also authorizes the Legislature to prescribe procedures for the administration of the exemptions authorized.

Finally, this section provides for a January 1, 1982, effective date for the amendments described above.

SECTION 2: This Section provides for submission of the proposed constitutional amendment to the voters at an election to be held on November 3, 1981, and provides for the form of the ballot.

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE

March 16, 1981

Honorable Bob McFarland, Chairman
Committee on Constitutional Amendments
House of Representatives
Austin, Texas

In Re: House Joint Resolution No. 81
By: Jackson, Peveto, Sharp

Sir:

In response to your request pursuant to House Rules, Section 3.119, this office finds the fiscal implications of House Joint Resolution No. 81 (proposing a constitutional amendment to authorize the exemption of a percentage of the value of a residence homestead from property taxation) to be as follows:

If the Legislature approves the proposed amendment for placement on the ballot, a cost for publication would be incurred. The cost of publication of resolutions, prior to election, has been included for the Secretary of State in the General Appropriations Bill, as introduced. The funding would cover the costs of publishing approximately nine amendment summaries. If more than nine constitutional amendments are proposed by the Legislature, it would be necessary to increase the general appropriation for advertising each additional constitutional amendment by approximately \$52,000.

If the electorate approves the proposed amendment, the fiscal impact on State or units of local government would depend upon the conditions set forth in enabling legislation and will be estimated in the fiscal notes on such proposed legislation to the extent that basic information is available.


Thomas M. Keel
Director

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE

April 24, 1981

Honorable Bob McFarland, Chairman
Committee on Constitutional Amendments
House of Representatives
Austin, Texas

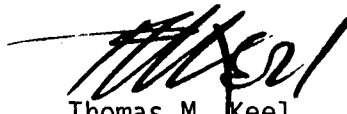
In Re: Committee Substitute for
House Joint Resolution No. 81
By: Sharp

Sir:

In response to your request pursuant to House Rules, Section 3.119, this office finds the fiscal implications of the Committee Substitute for House Joint Resolution No. 81 (proposing a constitutional amendment to authorize certain property tax relief for owners of residence homesteads) to be as follows:

If the Legislature approves the proposed amendment for placement on the ballot, a cost for publication would be incurred. The cost of publication of resolutions, prior to election, has been included for the Secretary of State in the General Appropriations Bill, as introduced. The funding would cover the costs of publishing approximately nine amendment summaries. If more than nine constitutional amendments are proposed by the Legislature, it would be necessary to increase the general appropriation for advertising each additional constitutional amendment by approximately \$52,000.

If the electorate approves the proposed amendment, the fiscal impact on units of local government would depend upon actions taken by local officials in granting the exemptions authorized and by the Legislature in specifying the minimum and maximum amount of the exemption. The fiscal impact would vary among taxing units and cannot be determined for purposes of this fiscal note for lack of basic data. No fiscal impact on state government, attributable to the resolution, is anticipated.


Thomas M. Keel
Director

Source: LBB Staff: TK, HES, PA

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE

May 23, 1981

Honorable Grant Jones, Chairman
Committee on Finance
Senate Chamber
Austin, Texas

In Re: House Joint Resolution No. 81,
as engrossed
By: Jackson, et al.

Sir:

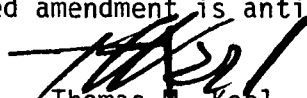
In response to your request pursuant to Senate Rule 94, Subsection (g), this office finds the fiscal implications of House Joint Resolution No. 81, as engrossed, (proposing a constitutional amendment to authorize certain property tax relief for owners of residence homesteads and to change certain property tax administrative procedures to be as follows:

If the Legislature approves the proposed amendment for placement on the ballot, a cost for publication would be incurred. The cost of publication of resolutions, prior to election, has been included for the Secretary of State in the General Appropriations Bill as introduced. The funding would cover the costs of publishing approximately nine amendment summaries. If more than nine constitutional amendments are proposed by the Legislature, it would be necessary to increase the general appropriation for advertising each additional constitutional amendment by approximately \$52,000.

If the electorate approves the proposed amendment, the governing body of a political subdivision would be authorized to exempt from ad valorem taxation a percentage of the market value of each residence homestead. The percentage may not exceed 40% in 1982, 30% in 1983, and 20% in 1984 and each year thereafter. In Houston and Harris County the percentages would be 40 in 1982 and 30 in 1983 and each year thereafter. The Legislature may prescribe a maximum on the amount of the exemption. The minimum would \$5,000 unless a different minimum is set by the Legislature.

The authority to grant exemptions would be effective with the January 1, 1982, assessment date. The proposed amendment would require that a property owner be given an informative notice of his tax situation in case of revaluation.

It is estimated that with a minimum exemption of \$5,000 and a maximum of \$30,000, and action by all local governing bodies, the loss in revenue to local taxing units would be \$135,000,000 in calendar year 1982, \$102,000,000 in calendar year 1983 and \$68,000,000 in calendar year 1984 and thereafter. It is not known, of course, how many local governing bodies would exempt homesteads or the percentage of value that they would adopt. Moreover, it is not known the degree to which, in particular communities, the exemption would result in lower revenues or in reallocation of tax burden among taxpayers. Therefore, the dollar amount of revenue loss to units of local government attributable to the proposed amendment, should it be finally adopted, cannot be determined for purposes of this fiscal note because it would depend upon future actions of local officials. No fiscal implication or additional cost to the state attributable to the proposed amendment is anticipated.


Thomas M. Keel
Director

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE

May 29, 1981

Honorable Grant Jones, Chairman
Committee on Finance
Senate Chamber
Austin, Texas

In Re: Senate Committee Substitute for
House Joint Resolution No. 81

Sir:


In response to your request pursuant to Senate Rule 94, Subsection (g), this office finds the fiscal implications of Senate Committee Substitute for House Joint Resolution No. 81 (proposing a constitutional amendment to authorize certain property tax relief for owners of residence homesteads and to change certain property tax administrative procedures) to be as follows:

If the Legislature approves the proposed amendment for placement on the ballot, a cost for publication would be incurred. The cost of publication of resolutions, prior to election, has been included for the Secretary of State in the General Appropriations Bill as introduced. The funding would cover the costs of publishing approximately nine amendment summaries. If more than nine constitutional amendments are proposed by the Legislature, it would be necessary to increase the general appropriation for advertising each additional constitutional amendment by approximately \$52,000.

If the electorate approves the proposed amendment, the governing body of a political subdivision would be authorized to exempt from ad valorem taxation a percentage of the market value of each residence homestead. The percentage may not exceed 40% in 1982, 30% in 1983, and 20% in 1984 and each year thereafter. The amount of the exemption may not exceed \$40,000 or be less than \$5,000 unless the legislature prescribes other monetary restrictions on the amount of the exemption. The minimum would be \$5,000 unless a different minimum is set by the Legislature.

The authority to grant exemptions would be effective with the January 1, 1982, assessment date. The proposed amendment would require that a property owner be given an informative notice of his tax situation in case of revaluation.

It is estimated that with a minimum exemption of \$5,000 and a maximum of \$40,000, and action by all local governing bodies, the loss in revenue to local taxing units would be \$151,000,000 in calendar year 1982, \$111,000,000 in calendar year 1983 and \$72,000,000 in calendar year 1984 and thereafter. It is not known, of course, how many local governing bodies would exempt homesteads of the percentage of value that they would adopt. Moreover, it is not known the degree to which, in particular communities, the exemption would result in lower revenues or in reallocation of tax burden among taxpayers. Therefore, the dollar amount of revenue loss to units of local government attributable to the proposed amendment, should it be finally adopted, cannot be determined for purposes of this fiscal note because it would depend upon future actions of local officials. No fiscal implication or additional cost to the state attributable to the proposed amendment is anticipated.


Thomas M. Keef
Director

Source: State Property Tax Board; LBB Staff: TK, HS, NH

ADOPTED

Caption amended to conform to body of
MAY 19 1981 under authority of the Rules of
the House of Representatives.

Betty Murray
Chief Clerk *5/19/81*
House of Representatives

Celista A. Laker
Legal Review Officer

By Jackson

Approved:

by phone Jackson 5/19/81
H.J.R. No. 81
(Author)

Substitute the following for H.J.R. No. 81:

By

Slays

C.S.H.J.R. No. 81

A JOINT RESOLUTION

1 proposing a constitutional amendment to authorize certain property
2 tax relief for owners of residence homesteads.

3 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

4 SECTION 1. That Article VIII, Section 1-b, of the Texas
5 Constitution be amended by adding Subsections (e) and (e-1) to read
6 as follows:

7 (e) The governing body of a political subdivision may exempt
8 from ad valorem taxation a percentage of the market value of the
9 residence homestead of a married or unmarried adult, including one
10 living alone. The percentage may not exceed forty percent (40%) in
11 1982, thirty percent (30%) in 1983, and twenty percent (20%) in
12 1984 and each subsequent year. However, the amount of an exemption
13 authorized pursuant to this subsection may not be less than Five
14 Thousand Dollars (\$5,000) unless the legislature by general law
15 prescribes a different minimum on the amount of the exemption. The
16 legislature by general law may prescribe a maximum on the amount of
17 the exemption. If a school district adopts an exemption pursuant
18 to this subsection, an eligible adult may not receive from the
19 district this exemption and the exemption required by Subsection
20 (c) of this section for all residence homesteads but may choose,
21 either. Except for this election, an eligible adult is entitled to
22 receive other applicable exemptions provided by law. Where ad
23 valorem tax has previously been pledged for the payment of debt,
24 the governing body of a political subdivision may continue to levy

1 and collect the tax against the value of the homesteads exempted
2 under this subsection until the debt is discharged if the cessation
3 of the levy would impair the obligation of the contract by which
4 the debt was created. The legislature by general law may prescribe
5 procedures for the administration of residence homestead
6 exemptions.

7 (e-1) Subsection (e) of this section takes effect January 1,
8 1982. This subsection expires January 2, 1982.

9 ~~SECTION 2~~ ³ SECTION 2. This proposed constitutional amendment shall be
10 submitted to the voters at an election to be held November 3, 1981.
11 The ballot shall be printed to provide for voting for or against
12 the proposition: "The constitutional amendment authorizing a
13 political subdivision to provide property tax relief for owners of
14 residence homesteads."

Amendment No. 1

By Jelly Smith

Amend C.S.H.J.R. 81 by inserting
the following after "year." on page 1,
~~line 1~~, line 12: "In a political subdivision
with a population of more than 2,000,000,
or with a population of more than 1,000,000
in a county with a population of more
than 2,000,000, the percentage may not
exceed forty percent (40%) in 1982 and
thirty percent (30%) in 1983 and each
subsequent year."

Also strike "The" on page 1, line 10,
and insert " Except as otherwise provided
by this section, the "

ADOPTED

MAY 19 1981

Betty Murray AB
Chief Clerk
House of Representatives

Amendment

2

BY

Albert

Amend C.S.H.J.R. 81 by delet following on page 1, lines
17-21:

If a school district adopts an exemption pursuant to this subsection, an eligible adult may not receive from the district this exemption and the exemption required by Subsection (c) of this section for all residence homesteads but may choose either. Except for this election,

and by substituting "An" for "an" on page 1, line 21.

ADOPTED

MAY 19 1981

Betty Murray
Chief Clerk
House of Representatives

AB

ADOPTED

MAY 19 1981

Betty Murray
Chief Clerk
House of Representatives

AMENDMENT NO. 3

BY *Schultz*

1 Amend C.S.H.J.R. 81 as follows:

2 (1) On page 2, insert the following section before Section 2
3 and renumber Section 2 as Section 3:

4 SECTION 2. Article VIII, Section 21, Subsection (c), of the
5 Texas Constitution is amended to read as follows:

6 (c) The legislature by general law shall require that,
7 subject to reasonable exceptions, a property owner be given notice
8 of a revaluation of his property and a reasonable estimate of the
9 amount of taxes that would be imposed on his property if the total
3 10 amount of property taxes for the subdivision were not increased
11 according to any law enacted pursuant to Subsection (a) of this
12 section [~~and--of--the--amount--of--taxes--that--will--result--from--the~~
13 ~~reappraised-value--if--neither--the--tax--rate--nor--the--ratio--of~~
14 ~~assessment-in-effect-in-the-preceding-year-is-reduced~~]. The notice
15 must be given before the procedures required in Subsection (a) are
16 instituted.

17 (2) On page 2, line 14, insert after "homesteads" the phrase
18 "and changing certain property tax administrative procedures".

CAB

HOUSE ENGROSSMENT

SPECIAL PRINTING

F

By Jackson, et al.

H.J.R. No. 81

A JOINT RESOLUTION

1 proposing a constitutional amendment to authorize certain property
2 tax relief for owners of residence homesteads and to change certain
3 property tax administrative procedures.

4 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. That Article VIII, Section 1-b, of the Texas
6 Constitution be amended by adding Subsections (e) and (e-1) to read
7 as follows:

8 (e) The governing body of a political subdivision may exempt
9 from ad valorem taxation a percentage of the market value of the
10 residence homestead of a married or unmarried adult, including one
11 living alone. Except as otherwise provided by this section, the
12 percentage may not exceed forty percent (40%) in 1982, thirty
13 percent (30%) in 1983, and twenty percent (20%) in 1984 and each
14 subsequent year. In a political subdivision with a population of
15 more than 2,000,000, or with a population of more than 1,000,000 in
16 a county with a population of more than 2,000,000, the percentage
17 may not exceed forty percent (40%) in 1982 and thirty percent (30%)
18 in 1983 and each subsequent year. However, the amount of an
19 exemption authorized pursuant to this subsection may not be less
20 than Five Thousand Dollars (\$5,000) unless the legislature by
21 general law prescribes a different minimum on the amount of the
22 exemption. The legislature by general law may prescribe a maximum
23 on the amount of the exemption. An eligible adult is entitled to
24 receive other applicable exemptions provided by law. Where ad

1 valorem tax has previously been pledged for the payment of debt,
 2 the governing body of a political subdivision may continue to levy
 3 and collect the tax against the value of the homesteads exempted
 4 under this subsection until the debt is discharged if the cessation
 5 of the levy would impair the obligation of the contract by which
 6 the debt was created. The legislature by general law may prescribe
 7 procedures for the administration of residence homestead
 8 exemptions.

9 (e-1) Subsection (e) of this section takes effect January 1,
 10 1982. This subsection expires January 2, 1982.

11 SECTION 2. Article VIII, Section 21, Subsection (c), of the
 12 Texas Constitution is amended to read as follows:

13 (c) The legislature by general law shall require that,
 14 subject to reasonable exceptions, a property owner be given notice
 15 of a revaluation of his property and a reasonable estimate of the
 16 amount of taxes that would be imposed on his property if the total
 17 amount of property taxes for the subdivision were not increased
 18 according to any law enacted pursuant to Subsection (a) of this
 19 section [and-of-the-amount-of--taxes--that--will--result--from--the
 20 reappraised--value--if--neither--the--tax--rate--nor--the--ratio-of
 21 assessment-in-effect-in-the-preceding-year-is-reduced]. The notice
 22 must be given before the procedures required in Subsection (a) are
 23 instituted.

24 SECTION 3. This proposed constitutional amendment shall be
 25 submitted to the voters at an election to be held November 3, 1981.
 26 The ballot shall be printed to provide for voting for or against
 27 the proposition: "The constitutional amendment authorizing a

H.J.R. No. 81

1 political subdivision to provide property tax relief for owners of
2 residence homesteads and changing certain property tax
3 administrative procedures."

COMMITTEE SUBSTITUTE FORM

5-29-81

Austin, Texas

Date of report to Senate

Honorable William P. Hobby
President of the Senate

Norris

Sir:

We, your Committee on Finance to which was referred
HJR ~~S.~~ No. 81, have had the same under consideration, and I am instructed to report it back to the
Senate with the recommendation that it do not pass, but that the Committee Substitute adopted in lieu
thereof do pass and be printed.

Grant Jones
Chairman

Paper clip TWO copies of the Committee Substitute and TWO copies of this form to the original bill and retain one copy of this form for your file.

By Jackson (Harris)

H.J.R. 81

Substitute the following for H.J.R. 81

C.S.H.J.R. 81

By Harris

((100 C. + 1))

A JOINT RESOLUTION

1 proposing a constitutional amendment to authorize certain property
2 tax relief for owners of residence homesteads and to change certain
3 property tax administrative procedures.

4 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. That Article VIII, section 1-b, of the
6 Texas Constitution be amended by adding subsections (e) and (e-1)
7 to read as follows:

8 (e) The governing body of a political subdivision may exempt
9 from ad valorem taxation a percentage of the market value of the
10 residence homestead of a married or unmarried adult, including one
11 living alone. The percentage may not exceed forty percent (40%) in
12 1982, thirty percent (30%) in 1983, and twenty percent (20%) in 1984
13 and each subsequent year. However, the amount of an exemption authorized
14 pursuant to this subsection may not exceed Forty Thousand Dollars (\$40,000)
15 or be less than Five Thousand Dollars (\$5,000) unless the legislature
16 by general law prescribes other monetary restrictions on the amount of
17 the exemption. An eligible adult is entitled to receive other applicable
18 exemptions provided by law. Where ad valorem tax has previously been pledged
19 for the payment of debt, the governing body of a political subdivision may
20 continue to levy and collect the tax against the value of the homesteads
21 exempted under this subsection until the debt is discharged if the cessation
22 of the levy would impair the obligation of the contract by which the
23 debt was created. The legislature by general law may prescribe
24 procedures for the administration of residence homestead exemptions.

ADOPTED

MAY 30 1981

CMB
Bobby King
Secretary of the Senate

1 ~~(e-1)~~ Subsection (e) of this section takes effect January 1,
2 1982. This subsection expires January 2, 1982.

3 SECTION 2. Article VIII, Section 21, Subsection (c), of the
4 Texas Constitution is amended to read as follows:

5 (c) The legislature by general law shall require that, subject
6 to reasonable exceptions, a property owner be given notice of a
7 revaluation of his property and a reasonable estimate of the amount
8 of taxes that would be imposed on his property if the total amount of
9 property taxes for the subdivision were not increased according to any
10 law enacted pursuant to Subsection (a) of this section ~~and-of-the~~
11 ~~amount-of-taxes-that-will-result-from-the-reappraised-value-if-neither~~
12 ~~the-tax-rate-nor-the-ratio-of-assessment-in-effect-in-the-preceding-year~~
13 ~~is-reduced~~]. The notice must be given before the procedures required
14 in Subsection (a) are instituted.

15 SECTION 3. This proposed constitutional amendment shall be
16 submitted to the voters at an election to be held November 3, 1981.
17 The ballot shall be printed to provide for voting for or against the
18 proposition: "The constitutional amendment authorizing a political
19 subdivision to provide property tax relief for owners of residence
20 homesteads and changing certain property tax administrative procedures."

By

Off - Wilson

Floor Amendment No. 1

Amend C.S.H.J.R. No. 81 in the following manner:

(1) On page 1, lines 18 through 20, strike the second sentence in subsection (e) and insert the following in lieu thereof:

"The percentage may not exceed forty percent (40%) for the years 1982 through 1984, thirty percent (30%) for the years 1985 through 1987, and twenty percent (20%) in 1988 and each subsequent year."

(2) On page 1, beginning on line 21, strike the words "exceed Forty Thousand Dollars (\$40,000) ^{*or*} ~~and beginning on line 24, strike the words "by general law proscribes other monetary restrictions on the amount of the exemption"~~

ADOPTED

by unanimous consent

JUN 1 1981

Betty King
Secretary of the Senate

AB

SENATE AMENDMENTS

2ND PRINTING

F

By Jackson, et al.

H.J.R. No. 81

A JOINT RESOLUTION

1 proposing a constitutional amendment to authorize certain property
2 tax relief for owners of residence homesteads and to change certain
3 property tax administrative procedures.

4 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. That Article VIII, Section 1-b, of the Texas
6 Constitution be amended by adding Subsections (e) and (e-1) to read
7 as follows:

8 (e) The governing body of a political subdivision may exempt
9 from ad valorem taxation a percentage of the market value of the
10 residence homestead of a married or unmarried adult, including one
11 living alone. Except as otherwise provided by this section, the
12 percentage may not exceed forty percent (40%) in 1982, thirty
13 percent (30%) in 1983, and twenty percent (20%) in 1984 and each
14 subsequent year. In a political subdivision with a population of
15 more than 2,000,000, or with a population of more than 1,000,000 in
16 a county with a population of more than 2,000,000, the percentage
17 may not exceed forty percent (40%) in 1982 and thirty percent (30%)
18 in 1983 and each subsequent year. However, the amount of an
19 exemption authorized pursuant to this subsection may not be less
20 than Five Thousand Dollars (\$5,000) unless the legislature by
21 general law prescribes a different minimum on the amount of the
22 exemption. The legislature by general law may prescribe a maximum
23 on the amount of the exemption. An eligible adult is entitled to
24 receive other applicable exemptions provided by law. Where ad

1 valorem tax has previously been pledged for the payment of debt,
2 the governing body of a political subdivision may continue to levy
3 and collect the tax against the value of the homesteads exempted
4 under this subsection until the debt is discharged if the cessation
5 of the levy would impair the obligation of the contract by which
6 the debt was created. The legislature by general law may prescribe
7 procedures for the administration of residence homestead
8 exemptions.

9 (e-1) Subsection (e) of this section takes effect January 1,
10 1982. This subsection expires January 2, 1982.

11 SECTION 2. Article VIII, Section 21, Subsection (c), of the
12 Texas Constitution is amended to read as follows:

13 (c) The legislature by general law shall require that,
14 subject to reasonable exceptions, a property owner be given notice
15 of a revaluation of his property and a reasonable estimate of the
16 amount of taxes that would be imposed on his property if the total
17 amount of property taxes for the subdivision were not increased
18 according to any law enacted pursuant to Subsection (a) of this
19 section [and-of-the-amount-of--taxes--that--will--result--from--the
20 reappraised--value--if--neither--the--tax--rate--nor--the--ratio-of
21 assessment-in-effect-in-the-preceding-year-is-reduced]. The notice
22 must be given before the procedures required in Subsection (a) are
23 instituted.

24 SECTION 3. This proposed constitutional amendment shall be
25 submitted to the voters at an election to be held November 3, 1981.
26 The ballot shall be printed to provide for voting for or against
27 the proposition: "The constitutional amendment authorizing a

H.J.R. No. 81

1 political subdivision to provide property tax relief for owners of
2 residence homesteads and changing certain property tax
3 administrative procedures."

By Jackson, et al.

C.S.H.J.R. No. 81

SENATE AMENDMENT NO. 1

A JOINT RESOLUTION

proposing a constitutional amendment to authorize certain property tax relief for owners of residence homesteads and to change certain property tax administrative procedures.

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. That Article VIII, section 1-b, of the Texas Constitution be amended by adding subsections (e) and (e-1) to read as follows:

(e) The governing body of a political subdivision may exempt from ad valorem taxation a percentage of the market value of the residence homestead of a married or unmarried adult, including one living alone. The percentage may not exceed forty percent (40%) in 1982, thirty percent (30%) in 1983, and twenty percent (20%) in 1984 and each subsequent year. However, the amount of an exemption authorized pursuant to this subsection may not exceed Forty Thousand Dollars (\$40,000) or be less than Five Thousand Dollars (\$5,000) unless the legislature by general law prescribes other monetary restrictions on the amount of the exemption. An eligible adult is entitled to receive other applicable exemptions provided by law. Where ad valorem tax has previously been pledged for the payment of debt, the governing body of a political subdivision may continue to levy and collect the tax against the value of the homesteads exempted under this subsection until the debt is

1 discharged if the cessation of the levy would impair the obligation
2 of the contract by which the debt was created. The legislature by
3 general law may prescribe procedures for the administration of
4 residence homestead exemptions.

5 (e-1) Subsection (e) of this section takes effect January 1,
6 1982. This subsection expires January 2, 1982.

7 SECTION 2. Article VIII, Section 21, Subsection (c), of the
8 Texas Constitution is amended to read as follows:

9 (c) The legislature by general law shall require that,
10 subject to reasonable exceptions, a property owner be given notice
11 of a revaluation of his property and a reasonable estimate of the
12 amount of taxes that would be imposed on his property if the total
13 amount of property taxes for the subdivision were not increased
14 according to any law enacted pursuant to Subsection (a) of this
15 section [~~and--of--the--amount--of--taxes--that--will--result--from--the~~
16 ~~reappraised-value--if--neither--the--tax--rate--nor--the--ratio--of~~
17 ~~assessment--in--effect--in--the--preceding-year-is-reduced~~]. The notice
18 must be given before the procedures required in Subsection (a) are
19 instituted.

20 SECTION 3. This proposed constitutional amendment shall be
21 submitted to the voters at an election to be held November 3, 1981.
22 The ballot shall be printed to provide for voting for or against
23 the proposition: "The constitutional amendment authorizing a
24 political subdivision to provide property tax relief for owners of
25 residence homesteads and changing certain property tax
26 administrative procedures."

27 Harris

SENATE AMENDMENT NO. 2

Amend C.S.H.J.R. No. 81 in the following manner:

(1) On page 1, lines 18 through 20, strike the second sentence in subsection (e) and insert the following in lieu thereof:

"The percentage may not exceed forty percent (40%) for the years 1982 through 1984, thirty percent (30%) for the years 1985 through 1987, and twenty percent (20%) in 1988 and each subsequent year."

(2) On page 1, beginning on line 21, strike the words "exceed Forty Thousand Dollars (\$40,000) or"

Ogg
Wilson

SENATE AMENDMENT NO. 3

Amend the caption to conform to the body of the bill.

AMEND THE CAPTION TO CONFORM
TO THE BODY OF THE BILL

ADOPTED
by *unanimous consent*
JUN 1 1981

Betty King
Secretary of the Senate

AB

F

ENROLLED

H.J.R. No. 81

A JOINT RESOLUTION

proposing a constitutional amendment to authorize certain property tax relief for owners of residence homesteads and to change certain property tax administrative procedures.

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. That Article VIII, Section 1-b, of the Texas Constitution be amended by adding Subsections (e) and (e-1) to read as follows:

(e) The governing body of a political subdivision may exempt from ad valorem taxation a percentage of the market value of the residence homestead of a married or unmarried adult, including one living alone. The percentage may not exceed forty percent (40%) for the years 1982 through 1984, thirty percent (30%) for the years 1985 through 1987, and twenty percent (20%) in 1988 and each subsequent year. However, the amount of an exemption authorized pursuant to this subsection may not be less than Five Thousand Dollars (\$5,000) unless the legislature by general law prescribes other monetary restrictions on the amount of the exemption. An eligible adult is entitled to receive other applicable exemptions provided by law. Where ad valorem tax has previously been pledged for the payment of debt, the governing body of a political subdivision may continue to levy and collect the tax against the value of the homesteads exempted under this subsection until the debt is discharged if the cessation of the levy would impair the

1 obligation of the contract by which the debt was created. The
2 legislature by general law may prescribe procedures for the
3 administration of residence homestead exemptions.

4 (e-1) Subsection (e) of this section takes effect January 1,
5 1982. This subsection expires January 2, 1982.

6 SECTION 2. Article VIII, Section 21, Subsection (c), of the
7 Texas Constitution is amended to read as follows:

8 (c) The legislature by general law shall require that,
9 subject to reasonable exceptions, a property owner be given notice
10 of a revaluation of his property and a reasonable estimate of the
11 amount of taxes that would be imposed on his property if the total
12 amount of property taxes for the subdivision were not increased
13 according to any law enacted pursuant to Subsection (a) of this
14 section [and--ef--the--amount--of--taxes--that--will--result--from--the
15 reappraised-value--if--neither--the--tax--rate--nor--the--ratio--of
16 assessment-in-effect-in-the-preceding-year-is-reduced]. The notice
17 must be given before the procedures required in Subsection (a) are
18 instituted.

19 SECTION 3. This proposed constitutional amendment shall be
20 submitted to the voters at an election to be held November 3, 1981.
21 The ballot shall be printed to provide for voting for or against
22 the proposition: "The constitutional amendment authorizing a
23 political subdivision to provide property tax relief for owners of
24 residence homesteads and changing certain property tax
25 administrative procedures."

H.J.R. No. 81

President of the Senate

Speaker of the House

I certify that H.J.R. No. 81 was passed by the House on May 19, 1981, by the following vote: Yeas 133, Nays 13, 1 present, not voting; and that the House concurred in Senate amendments to H.J.R. No. 81 on June 1, 1981, by the following vote: Yeas 133, Nays 4, 1 present, not voting.

Chief Clerk of the House

H.J.R. No. 81

I certify that H.J.R. No. 81 was passed by the Senate, with amendments, on June 1, 1981, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

APPROVED: _____
Date

Governor

RECEIVED: _____
Date

Secretary of State

H. J. R. No. 81

By Jackson, et al.

HOUSE JOINT RESOLUTION

proposing a constitutional amendment to authorize the exemption of a percentage of the value of a residence homestead from property taxation.

- MAR 5 1981 1. Filed with the Chief Clerk.
- MAR 9 1981 2. Read first time and referred to Committee on Constitutional Amendments
- APR 22 1981 3. Reported favorably ^(as amended) and sent to Printer at APR 28 1981 3:25pm
(as substituted)
- APR 28 1981 4. Printed and distributed at 6:01pm
- APR 29 1981 5. Sent to Committee on Calendars at 8:30am
- MAY 19 1981 6. Read second time ^{subs.} (amended) and (finally) passed ~~to Third Reading~~ by a Record Vote of 133 yeas, 13 nays, 1 present, not voting.
7. Motion to reconsider and table the vote by which H.J.R. _____ was ordered engrossed prevailed (failed) by (Non-Record Vote) (Record Vote of _____ yeas, _____ nays, _____ present, not voting).
8. Read third time (amended) and finally adopted (failed of adoption) by a Record Vote of _____ yeas, _____ nays, _____ present, not voting.
9. Caption ordered amended to conform to body of resolution.
10. Motion to reconsider and table the vote by which H.J.R. _____ was finally adopted prevailed (failed) by a (Non-Record Vote) Record Vote of _____ yeas, _____ nays, and _____ present, not voting).

MAY 19 1981

11. Ordered Engrossed at 5:06 pm

MAY 19 1981

12. Engrossed.

MAY 19 1981

13. Returned to Chief Clerk at 8:16 pm

MAY 20 1981

14. Sent to the Senate.

Betty Murray

Chief Clerk of the House

MAY 20 1981

15. Received from the House

MAY 21 1981

16. Read, referred to Committee on FINANCE

17. Reported favorably

MAY 29 1981

18. Reported adversely, with favorable Committee Substitute; Committee Substitute read first time.

19. Ordered not printed.

MAY 30 1981

20. Regular order of business suspended by

(a viva voce vote.)
20 yeas, 3 nays.)

21. To permit consideration, reading and passage, Senate and Constitutional Rules suspended by vote of _____ yeas, _____ nays.

MAY 30 1981

22. Read second time

passed to third reading by:
(a viva voce vote.)
20 yeas, 3 nays.)

1981 APR 28 PM 6:01

HOUSE OF REPRESENTATIVES

23. Caption ordered amended to conform to body of bill.

MAY 30 1981

24. Senate and Constitutional 3-Day Rules suspended by vote of 25 yeas, 2 nays to place bill on third reading and final passage.

MAY 30 1981

25. Read third time, and ~~passed by~~

JUN 1 1981

Regular Order of business ~~suspended by unanimous consent~~, amended by unanimous consent, finally passed by 31 yeas & 0 nays

OTHER ACTION:

OTHER ACTION:

Betty King
Secretary of the Senate

June 1, 1981

26. Returned to the House.

JUN 1 1981

27. Received from the Senate (with amendments.) (as substituted.)

JUN 1 1981

28. House (Concurred) (~~Refused to Concur~~) in Senate (Amendments) (Substitute) by a (Non-Record) vote (Record Vote of 133 yeas, 4 nays, 1 present, not voting).

29. Conference Committee Ordered.

30. Conference Committee Report Adopted (Rejected) by a (Non-Record Vote) (Record Vote of _____ yeas, _____ nays, and _____ present, not voting).

JUN 1 1981

31. Ordered Enrolled at 9:17 pm

HOUSE OF REPRESENTATIVES
1981 JUN - 1 PM 6:42